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UTAH ATTORNEY GENERAL
MARK SHURTLEFF

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SELF-PROCLAIMED INVESTMENT EXPERT SENTENCED FOR INVESTING IN HIMSELF

Utah Attorney General Mark Shurtleff and Utah Department of Commerce Executive Director Francine A. Giani today announced that a self-proclaimed investment expert has pleaded guilty to pocketing the money he was supposed to invest. James Melvin Hardman, Salt Lake City, was ordered on December 13 to serve one year of probation after he paid full restitution to the victim.

"This is one of the rare times that a victim has been made whole. Still this experience should serve as a warning that you can never be too careful when you are investing money," says Shurtleff.

Hardman obtained \$20,000 from a Salt Lake City victim after telling her that he was an investment expert and had written a book on investments. The truth was that Hardman used all of the investor's money for his personal expenses, including paying credit card bills, car rentals, home expenses and cash.

The victim was told by Hardman that her investment was guaranteed and she could earn 10-25% profit each day. Hardman also claimed her investment already had risen in value by 50%. In reality, none of the victim's money was put into investments and the \$2,000 Hardman did have in an investment account lost two-thirds of its value. Also, Hardman did not tell the victim that he had an outstanding judgment against him for \$1.2 million.

"If the person offering you investment advice is not licensed with the Division of Securities, the investment is almost certainly fraudulent. Check out the person asking you for money," warns Giani.

Hardman was originally charged with six felonies in May 2005. He agreed to plead guilty to two felonies and the remaining charges were dismissed. Hardman could face up to 5 years in prison if he doesn't comply with all of the conditions of his probation. Assistant Attorney General Neal Gunnarson handled the prosecution.

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